

TRANSPORTATION CORPORATION OF AMERICA

P. O. BOX 218 CHICAGO HEIGHTS, ILLINOIS 60411

TELEPHONES:

Chicago Hts.-757-5900

Date: February 20, 1980

Interstate Commerce Commission
Recordation Clerk
Room 1211
12th & Constitution Ave., N.W.
Washington, D.C. 20423

No. **0-057A020** RECORDATION NO. **11540** Filed 1425
Date **FEB 26 1980** **FEB 26 1980 -3 30 PM**
Fee \$ **50.00** INTERSTATE COMMERCE COMMISSION
ICC Washington, D. C.

Gentlemen:

Enclosed for recordation under the provision of Section 20(c) of the Interstate Commerce Act, as amended, are five (5) copies of the following:

Lease Agreement No. 110879 dated November 7, 1979
Rider No. _____ dated _____
between TRANSPORTATION CORPORATION OF AMERICA and
Perryton Equity Exchange
Recordation No. New
No. of Cars: TWENTY (20)
Description of Cars: Covered Hopper (LO)
Car Numbers: TCAX 60456 thru 60475 both inclusive

The names and address of the parties hereto are as follows:

Lessor:

Transportation Corporation of America
P. O. Box 218
Chicago Heights, IL 60411

Lessee:


Perryton Equity Exchange
Perryton
Texas

The undersigned is the Vice President-Finance of Transportation Corporation of America and has knowledge of the matters set forth within the enclosed documents. Kindly record and thereafter return to S. D. Christianson, Transportation Corporation of America, P. O. Box 218, Chicago Heights, Illinois 60411, the remaining four copies of the enclosed document, marked "Recorded".

Attached hereto is a remittance in the sum of \$*50.00 covering the required Recording Fee.

Cordially,

TRANSPORTATION CORPORATION OF AMERICA


S. D. Christianson
Vice President - Finance

dk
Enclosures

This AGREEMENT, No. 110879, made and entered into November 7, 1979

_____, by and between TRANSPORTATION CORPORATION OF AMERICA,
an Illinois Corporation, Box 218, Chicago Heights, Illinois, (herein called "LESSOR") and _____

PERRYTON EQUITY EXCHANGE

a TEXAS corporation, (herein called "LESSEE").

11540
RECORDATION NO. Filed 1425

FEB 26 1980 - 3 20 PM

INTERSTATE COMMERCE COMMISSION

WITNESSETH:

Description of Leased Cars: (1) LESSOR agrees to furnish to the LESSEE, and the LESSEE agrees to rent from LESSOR the cars shown on the Rider attached hereto and made a part hereof, and such additional Riders as may be added hereto from time to time by AGREEMENT of the parties and signed by their duly authorized representatives. Each Rider shall set forth a brief description of the car, or cars, covered thereby including such facts as: number of cars, car initials and numbers, the A.A.R. or I.C.C. specification, cubic capacity, truck capacity, delivery point, rental, commodity service, term throughout which the cars shall remain in LESSEE'S service, and other pertinent information that may be desired by both parties.

Use of Cars: (2) LESSEE agrees to use said cars within the continental limits of the United States and Canada (any use in Canada shall be incidental and temporary) for the transportation of the commodities stated in the Rider applicable to said cars; and that said cars will at all times be used and operated in compliance with all lawful acts, rules, regulations and orders; and further agrees upon the expiration or termination of the rental term of the particular Rider applicable to each such car set forth in such Rider to cause said cars to be returned to LESSOR at its plant in Chicago Heights, Illinois, in the same, or as good, condition in which they were furnished, except for ordinary wear and tear. Lessee will not in any way alter the physical structure of the cars without the approval in writing of LESSOR.

Rent: (3) LESSEE agrees to pay LESSOR the monthly rental stated in the Rider covering said cars from the date each car is delivered as specified in the Rider, and until cars are delivered to LESSOR upon expiration of the rental term specified in the Rider applicable to such car. Such rentals shall be paid to TRANSPORTATION CORPORATION OF AMERICA Box 218, Chicago Heights, Illinois, or such other place as the LESSOR or its Assignees may hereafter direct. Payment will be made in advance on the first day of every month during the term, except that LESSEE shall pay in advance, on delivery of the cars, the prorata of one month's rent for the period intervening the date of delivery and the first day of the next succeeding month.

Term of Lease: (4) This AGREEMENT shall be effective as of the date first set forth hereinabove and shall expire upon expiration of the rental term of the last car, or cars, covered hereunder. The rental term for each car shall be as shown in the Rider covering such car.

Repair and Maintenance: (5) (a) LESSEE shall notify LESSOR within three (3) full business days following knowledge of any damage to any of the cars. LESSOR agrees to pay for the maintenance and repair of said cars; but it will not pay for repairs made to said cars in excess of the basis of Association of American Railroads interchange rules to the extent that such excess repairs are ordered by the LESSEE and not approved by the LESSOR. No repairs to any of the cars shall be made by the LESSEE for LESSOR'S account without LESSOR'S prior written consent. If any of the cars become unfit for service and shall be held in railroad or car shops for repairs, and shall remain therein for a period in excess of five (5) days, service charges hereunder covering any such cars payable by LESSEE to LESSOR shall cease from and after the date of delivery of such car to such railroad or car shop for repairs until such car is released from the shop or until another car shall have been placed in the service of LESSEE by LESSOR in substitution for such car undergoing repairs. In the event any of

the subject cars shall be damaged or destroyed by the railroads, the service charge on any such car shall cease on the date of such damage or destruction. When such damaged car has been forwarded to a shop for repair, the mileage earned by such car to and from the shop shall be retained by the LESSOR.

(b) LESSOR shall keep the cars in good order and repair, ordinary wear and tear excepted, comply with any additional requirements for safety appliances and construction hereinafter specified by American Association of Railroads and Interstate Commerce Commission and satisfactory for interchange in accordance with Association of American Railroads' rules, and all at its own cost and expense. LESSEE shall, at its expense, replace any removable parts, if lost or broken.

(c) In the event of the loss, destruction or irreparable damage to any of the cars from any cause whatsoever, except while in possession of LESSOR, during the continuance of this lease, the LESSEE shall promptly and fully inform the LESSOR in regard to such loss, destruction or damage. If any of said cars are damaged or destroyed on any privately owned track, LESSEE shall pay unto LESSOR the cost of repairing such damage, or replacing such lost or destroyed cars. In no case shall that amount exceed the depreciated valuation of such cars as provided for in the Interchange Rules of the Association of American Railroads.

Inspection: (6) LESSEE shall allow the LESSOR at its own cost and expense to inspect the cars at any reasonable time or times.

Mileage and Per Diem Reports: (7) The LESSOR shall collect and retain all mileage earned by said cars and credit same to the extent of rental to the account of the LESSEE when received from the railroads, and also the LESSOR shall keep all records pertaining to car movements. The LESSEE shall assist the LESSOR in following the movements of said cars by furnishing the LESSOR complete weekly reports of the movements of cars; both loaded and empty, giving destination, date of loading, and the routing of each movement. The LESSEE agrees so to use said cars that the mileage under load shall be equal to the mileage empty on each railroad over which they move. If during any calendar year, the empty mileage on any railroad exceeds the loaded mileage, the LESSEE shall immediately pay to the LESSOR for such excess mileage at the rate established by the tariff of the railroad on which such excess of empty mileage is incurred, provided, however, that LESSOR shall have been billed for such excess of empty mileage and shall have paid the same to the railroad. For purposes of this paragraph, the railroad mileage and junction reports received by LESSOR shall be prima facie evidence of the facts reported therein. Any mileage in excess of the fixed rental shall belong to the LESSOR.

Payment of Taxes: (8) During the term of this AGREEMENT the LESSEE shall, in addition to the rentals herein specified, pay all sales, use, rental and excise taxes, ~~personal property taxes~~, assessments and other governmental charges, whatsoever, whether payable by the LESSOR or the LESSEE, on or relating to the cars leased hereunder; the LESSEE shall be under no obligation to pay any such tax so long as it is being contested in good faith and by appropriate administrative or legal proceedings and any expense incurred by LESSOR in which LESSEE concurs with respect to contesting the applicability of such sales tax, rental tax or use tax to this AGREEMENT shall be for the account of LESSEE.

Marking of Cars (9) (a) The LESSOR shall plainly, permanently stencil the ownership legend on each new car in letters not less than one (1) inch in height, reading:

Title to this car subject to documents filed with the Interstate Commerce Commission.

and immediately replace any such stencilling which becomes illegible, wholly or in part. Should changes or additions be required in the foregoing legend, LESSEE shall make such changes or additions, and the expense thereof shall be borne by the LESSOR. The LESSEE shall keep the cars free from any marking which might be interpreted as a claim of ownership

thereof by anyone other than the LESSOR; and will not change, or permit to be changed, the identifying road numbers.

(b) LESSEE represents and warrants that subject cars are now and shall remain throughout the term of this lease marked and identified in accordance with the car numbers and other identification marks provided for within the Riders which are now and which shall hereafter be attached hereto.

Indemnification:

(10) Except while cars are in the possession of LESSOR, LESSEE will indemnify and hold LESSOR harmless against loss or damage during the term of this AGREEMENT by or to any of the cars hereby leased, or to or by the contents thereof, to the extent that such loss or damage is caused by or as the result of LESSEE'S negligence, or the negligence of its agents, servants, and employees, and will indemnify LESSOR against any loss, fee, expense, or damage suffered by it by reason of, or arising out of, any default by LESSEE hereunder.

Insurance:

(11) LESSEE shall, at its own cost and expense, with respect to each Car at all times maintain and furnish LESSOR with evidence of ~~insurance against fire, theft, and damage~~ liability insurance protecting LESSOR, in such companies, in such amounts, with such endorsements, and covering such hazards as LESSOR shall from time to time request. LESSEE'S obligation to maintain insurance with respect to each Car shall commence on the earlier of (i) the Delivery date of such Car or (ii) the date on which the manufacturer or vendor thereof shall cease to bear the risk of loss with respect thereto (whether or not such Car shall at such time have become subject to lease pursuant hereto), and shall continue until the lease term thereof terminates and, if such Car is required hereunder to be returned to LESSOR, until such return. LESSEE shall cooperate and, to the extent possible, cause others to cooperate with LESSOR and all companies providing any insurance to LESSEE or LESSOR or both with respect to the Cars.

Subleasing:

(12) LESSEE will not sub-lease said cars or assign any of its rights hereunder, without the written consent of the LESSOR.

Liens:

(13) The LESSEE shall keep the cars free from any encumbrances or liens which may be a cloud upon, or otherwise affect, the LESSOR'S title.

Remedies:

(14) Upon the happening of any of the events of default as hereinafter defined, the LESSOR or its Assignee may then, or at any time thereafter, take possession of the cars and any accessions thereto, wherever same may be found, and, at the election of the lessor or the Assignee as the case may be, either:

(a) declare the AGREEMENT terminated, in which event all rights of the parties hereunder shall cease except only the obligation of the LESSEE to pay accrued rentals to the date retaking, or;

(b) relet the cars as agent of the LESSEE, apply the proceeds of such reletting first to the expenses that may be incurred in the retaking and delivery of the cars to the new LESSEE, then to the payment of the rent due under this lease, and the LESSEE shall remain liable for any rents remaining due after so applying the proceeds so realized, and the LESSEE covenants and agrees to pay said deficit monthly as the same may accrue.

Default:

(15) The happening of any of the following events shall be considered an "event of default" hereunder:

(a) nonpayment of the LESSEE within thirty (30) days after the same becomes due of any installment of rental hereunder;

(b) failure of the LESSEE to comply with, or perform, any of the other terms and conditions of this AGREEMENT within thirty (30) days after receipt of written notice from the LESSOR, or its Assignee, demanding compliance therewith and performance thereof;

(c) The appointment of a receiver or trustee in bankruptcy for the LESSEE or for any of its property and the failure by such receiver or trustee to adopt and assume and agree to perform the obligations of the LESSEE hereunder within thirty (30) days after such appointment.

Patent Indemnification: (16) LESSOR shall (except for articles or materials specified by LESSEE and also except for designs and systems used in the construction of subject cars as a result of LESSEE'S specifications) indemnify, protect and save harmless the LESSEE from all claims, demands, damages, including royalties, judgments (including court costs), attorneys fees, and expense in any way arising out of, or on account of, the use of any or all patented inventions, employed in and about the construction, repair, alterations, or improvements of the cars, or any part thereof, which are incorporated in any car at the inception of this AGREEMENT or Riders added hereto.

Filing: (17) The LESSOR intends to cause this Lease to be filed and recorded with the Interstate Commerce Commission in accordance with ~~Section 206 of~~ the Interstate Commerce Commission Act. The LESSEE shall from time to time do and perform any other act, and execute, acknowledge, deliver, file, register and record any and all further instruments required by law, or requested by LESSOR, for the purpose of protecting its title and rights, or for the purpose of carrying out the intention of this AGREEMENT, and the LESSEE will promptly furnish to LESSOR certificates or other evidences all such filing, registering and recording in form satisfactory to LESSOR. The LESSOR shall promptly reimburse LESSEE for any out-of-pocket expenses it may so incur.

Miscellaneous: (18) It is mutually agreed that the time of payment of rentals is of the essence of this contract and that this agreement and any Rider now and hereafter entered into is subject and subordinate to any Chattel Mortgage or Conditional Sale Agreement on the cars heretofore or hereafter created and to the rights of any Trustee under any Equipment Trust heretofore or hereafter established by the LESSOR.

(19) The terms of this AGREEMENT and all rights and obligations hereunder shall be governed by the laws of the State of Illinois, in which state it has been executed and delivered.

(20) All FRA (Federal Railroad Administration) inspection charges shall be Lessor's sole responsibility.

(21) Lessor agrees to pay all property taxes, whether personal or otherwise, in respect of the cars leased by Lessor to Lessee.

(22) Lessee may place cars at any loading point or potential loading point to earn additional mileage revenue between such loading point and Houston, Texas even when said cars may not be required by Lessee, and such is not deemed to be a "sublease" of said cars or an "assignment" of any of Lessee's rights under the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers and duly attested, as to the date first above written.

(Corporate Seal)

TRANSPORTATION CORPORATION OF AMERICA (Lessor)

ATTEST:

By: 

Vice President


Assistant Secretary

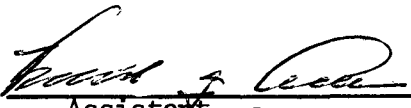
(Corporate Seal)

PERRYTON EQUITY EXCHANGE (Lessee)

ATTEST:

By: 

President


Assistant Secretary

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.

On this 19th day of February 1980, before me personally appeared C. H. WRIGHT, to me personally known who being by me duly sworn, says that he is a Vice President of TRANSPORTATION CORPORATION OF AMERICA, an Illinois corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Tenna L. Kney
Notary Public

(SEAL)

My Commission Expires: 1-11-81

STATE OF Texas)
)
COUNTY OF DeWitt) SS.

On this 14th day of February 1980, before me personally appeared William R. Gray, to me personally known who being by me duly sworn, says that he is President of Grayson Equity Exchange, an Texas corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Lillian Nelson
Notary Public

(SEAL)

My Commission Expires: July 13, 1980

TRANSPORTATION CORPORATION OF AMERICA
RIDER NO. 11087901
TO MASTER CAR AGREEMENT NO. 110879

IT IS HEREBY AGREED THAT, effective November 7, 1979 this First Rider shall become a part of Master Car Agreement No. 110879 between TRANSPORTATION CORPORATION OF AMERICA and PERRYTON EQUITY EXCHANGE dated November 7, 1979, and the cars described herein shall be placed in Perryton Equity Exchange service, subject to the terms set forth below:

CAR INITIAL & NUMBERS	TCAX 60456 THRU TCAX 60475 both inclusive
CAR OWNERS MARKS:	Title to this car subject to documents filed with the Interstate Commerce Commission
COMMODITY SERVICE:	GRAIN
CLASS OF CAR:	COVERED HOPPER (LO)
NO. OF CARS	TWENTY (20)
TRUCK CAPACITY:	100-Ton
CUBIC CAPACITY:	4750 Cu. Ft.
RENTAL TERM:	EIGHTY-FOUR (84) MONTHS
DELIVERY POINT:	EAST CHICAGO, INDIANA
DELIVERY PERIOD:	THIRD QUARTER, 1980
FIXED RENTAL:	Five Hundred Forty-Nine and 00/100 Dollars (\$549.00) per car, per month for eighty-four (84) consecutive months from date of delivery subject to adjustment as defined hereafter.
ADJUSTMENT FOR EXCESS MILEAGE:	If at the end of the Lease, the LESSOR determines that the total mileage on any car has exceeded 30,000 miles in any 12 month period, the following charges ("EXCESS MILEAGE CHARGE") will be paid by the LESSEE for those miles in excess of 30,000 miles for each such car: Mile 30,001 thru and including mile 60,000 - 3¢ (\$.03) per mile, per car. Mile 60,001 and over - 6¢ (\$.06) per mile, per car.
OT-5 CONCURRENCES:	Lessor shall obtain the necessary OT-5 Concurrences through the AAR (Association of American Railroads) with respect to potential loading points for the cars which are the subject of this Rider and the obligations of Lessee under The Agreement shall be contingent upon Lessor's obtaining such OT-5 Concurrences. In the event of Lessor's failure to obtain the necessary OT-5 Concurrences, Lessee shall have the option to declare The Agreement null and void and of no force and effect whatsoever.
RETURN OF CARS:	At the end of this contract, Lessee's rental payments with respect to each car leased shall cease at the point of unloading providing the cars are within 1500 miles of Chicago Heights, Illinois; otherwise the rental will cease when cars come within the 1500 mile limit.
MARKING OF CARS:	Lessor shall, at Lessor's expense, stencil for identification purposes Lessee's name, telephone number and business location on all the cars which are the subject of this Rider.
NOTICE RELATING TO MOVEMENT OF CARS:	Any notification requirement set forth in paragraph (7) of The Agreement shall be deemed satisfied by delivery of a copy of each bill of lading to Lessor.
CERTIFICATE OF INSPECTION AND ACCEPTANCE:	Exhibit "I": attached hereto and made a part hereof.
SPECIAL CONDITIONS:	Cars are not to be used in Unit Train Service.

CERTIFICATE OF INSPECTION AND ACCEPTANCE

TO: THRALL CAR MANUFACTURING COMPANY
 P. O. Box 218
 Chicago Heights, Illinois 60411

Gentlemen:

The undersigned duly appointed inspector and representative of
PERRYTON EQUITY EXCHANGE (LESSEE)
hereby certifies that he has made a thorough examination of the following Railroad Cars
bearing numbers as follows:

<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>CAR NUMBERS</u>
Twenty (20)	4750 Cu. Ft. Capacity 100-Ton Covered Hopper Cars	TCAX 60456 thru TCAX 60475, both inclusive.

and hereby accepts them for Lessee under and pursuant to that certain Rider No. 11087901
dated November 7, 1979 for Lease dated November 7, 1979 between TRANSPORTATION
CORPORATION OF AMERICA and LESSEE: that each of said Cars is plainly marked and
stenciled on both sides of each Car with the words:

Title to this car subject to documents filed with
the Interstate Commerce Commission.

in readily visible letters, not less than 1" in height; and that each of said Cars fully
complies with the requirements, standards and specifications referred to in said Lease.

Inspector for
PERRYTON EQUITY EXCHANGE
LESSEE

Dated this _____ day of _____, 19____.

EXHIBIT "I"